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## FISCAL IMPACT REPORT

SPONSOR Garcia, Mary Jane M. DATE TYPED 02-07-05 HB \_\_\_\_\_

SHORT TITLE Small Farm Economic Development Initiative SB 471

ANALYST Woods

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$100.0			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to the appropriation for New Mexico State University in the General Appropriations Act.

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Department of Agriculture (NMDA)

#### No Responses Received From

New Mexico Commission on Higher Education (CHE)

### SUMMARY

#### Synopsis of Bill

Senate Bill 471 – Making an Appropriation for the Small Farm Economic Development Initiative of the New Mexico Department of Agriculture – appropriates \$100,000 from the general fund to the Board of Regents of New Mexico State University for expenditure in FY06 to pay for the New Mexico Department of Agriculture’s Small Farm Economic Development Initiative. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

Significant Issues

NMDA indicates that the focus of this initiative is the Hispanic Farmers and Ranchers Cooperative, a nonprofit 501C organization based in Las Cruces, New Mexico. Utilizing the previous year's funding, this organization has successfully organized small scale producers, provided development and marketing support, developed a marketing plan, and implemented produce (specialty crop) and livestock projects.

NMDA further notes that the success of the project has generated participation from more small scale producers resulting in a need for more resources, and that NMDA has served as the custodian for all state funds received by the organization and also worked to provide technical and marketing support.

This project is not included in the CHE *2005-2006 Higher Education Funding Recommendation*.

**FISCAL IMPLICATIONS**

The appropriation of \$100,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

**ADMINISTRATIVE IMPLICATIONS**

NMSU would retain oversight of the program.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Relates to the appropriation for New Mexico State University in the General Appropriations Act.

**BFW/njw**